

ACQUISITION REFORM



CONTRACT ADMINISTRATION REFORM

October 1994 - February 1995

This Team developed a comprehensive plan to re-engineer the contract administration process. They changed the concept of “effective oversight”. It is no longer practical to avoid risk at all costs; instead leaders will manage risks within the constraints of the budget. The Team identified 36 specific recommendations for improvements to contract administration.

CONTRACT ADMINISTRATION REFORM



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RECOMMENDATIONS

- **Enterprise Automation** -- Maximum utilization of IT
- **Early Contract Administration Activities** -- CAS support in pre-award
- **Technical Representatives** -- Avoid PMO/CAS duplication
- **Quality Contractors** -- Tailor oversight based on risk
- **Pre-Award Surveys** -- Maximum utilization of commercial information
- **Engineering and Software** -- Enhance professional development
- **Consent to Subcontracts** -- Delete requirement for government consent
- **Annual ADPE Leasing Reviews** -- Delete mandatory review
- **Production Surveillance** -- Utilize IT to provide feedback to customers
- **Warranties** -- Study use of commercial warranty practices
- **Government Property** -- Delete non-value added processes
- **Oversight of Overhead Rates** -- Promote efficient/ less costly processes
- **Cost Monitoring** -- Enhance program flexibility
- **Contract Closeout** -- Reduce cycle time

RECOMMENDATIONS



Enterprise Automation	●	●	●	●	●
Early Contract Administration Activities	●	●	●		
Technical Representatives	●	●	●		
Quality Contractors	●	●	●	●	
Pre-Award Surveys	●				
Engineering and Software	●	●			
Consent to Subcontracts	●				
Annual ADPE Leasing Reviews	●				
Production Surveillance	●	●			
Warranties	●	●			
Government Property	●	●			
Oversight of Overhead Rates	●	●	●	●	
Cost Monitoring	●				
Contract Closeout	●	●	●	●	



STATUS OF ACTIONS

- **5 FAR Cases** (3 open)
- **5 DFARS Cases** (all complete)
- 6 Policy Changes
- 5 Training Initiatives
- 6 CAS Processes Re-engineered
- 3 Automation Enhancements

Institutionalizing the Changes!



IMPACT OF PAT EFFORT

- Significant future enhancements in CAS automation
- Shift oversight from risk avoidance to risk management
- Inculcate teaming attitudes between PMO's and CAS communities
- Elimination of non-value added activities
- Shorten CAS cycle times